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University of Utah Rate Schedule for Natural Gas Service FY24

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Approval

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Application

This schedule is for natural gas service for all buildings 1) supplied through one of the University of Utah's central distribution systems or 2) systems directly served through an external utility company and managed by Facilities.

Recent Billing Rates – For Reference Only
Rates calculated monthly based on actual electricity bills.

<u>Month</u>	<u>Rate (\$ / Dth)</u>
January 2022	\$7.9138
February 2022	\$5.9583
March 2022	\$5.6702
April 2022	\$6.1636
May 2022	\$6.1636
June 2022	\$10.1746
July 2022	\$8.2655
August 2022	\$10.2157
September 2022	\$10.3038
October 2022	\$7.0119
November 2022	\$7.1455
December 2022	\$13.2056

Resource cost	95.6%
R&R cost	3.8%
O&M cost	0.6%

Rate Calculations

Rates are calculated monthly by dividing the sum of campus production costs (in U.S. dollars) by the sum of natural gas consumption (in Dth) over the same period. Costs and consumption of gas used for the production of central heating water is excluded from this billing rate.

Costs include the purchase of natural gas and associated supplier fees, surcharges, and taxes. Costs also include the University's labor and material costs of the previous calendar year for operation, maintenance, and metering of the natural gas systems.

Renew and replace (R&R) is collected from Auxiliaries, to supplement state funding for the replacement of major assets

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necessary for the distribution of natural gas including pipe and meters.

Gas is measured by volume, standardized, and converted to energy (in Dth) based on average monthly supplier heat content.

Scheduled Rate Adjustments

Rates are calculated monthly and are primarily determined by the resource cost. Monthly rates reflect any changes in the market. After high gas prices in January 2023, the University has started hedging natural gas volumes (at least 50%) and will continue to monitor monthly pricing. Hedging reduces pricing volatility while taking advantage of Transportation Service contracts.

Where approved supplier rate changes have already taken place since the last calendar year (when costing information was totaled) or after scheduled to take effect during the period this rate schedule applies to, rates shall be adjusted proportionally by the same amount.

Time Periods

Seasonal rate adjustments of suppliers are directly reflected in monthly purchase costs.

Consumption Measurement and Calculation

Where one or more commercial-grade building-level meters are present, consumption is directly measured. Where existing devices are unable to directly measure consumption for a group or area, values are calculated based on the measurements of the closest parent meter and the percentage of served floor area.

Readings typically occur once a month and are estimated during months when meters are inaccessible or awaiting repair.